

Improving online ordering experience of Bigbasket



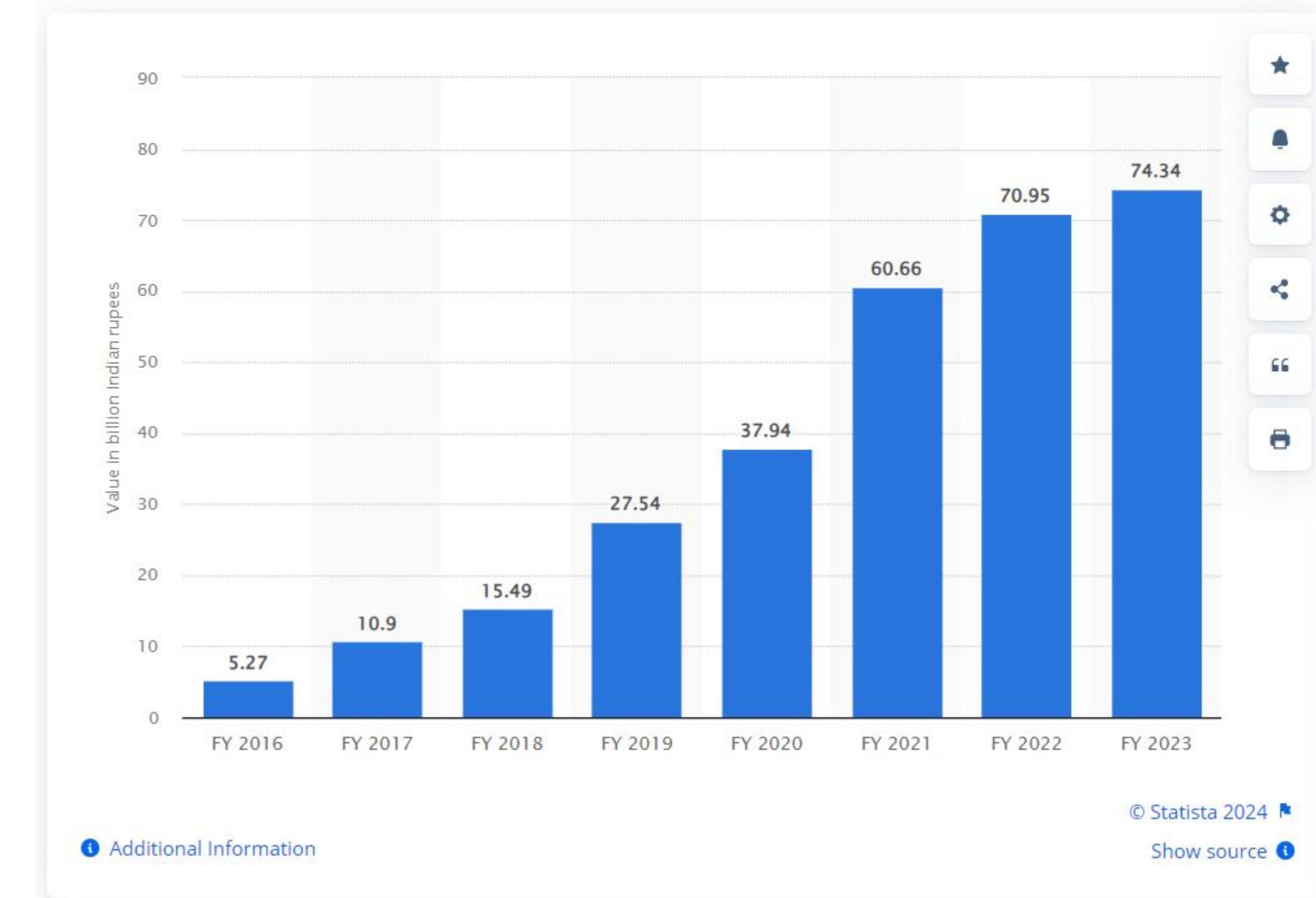
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About bigbasket

BigBasket is an Indian online grocery delivery service founded in 2011 and headquartered in Bengaluru. It operates on a **mixed model**, offering a wide range of products including groceries, household items, personal care products, and more. Customers can place orders via the BigBasket website or mobile app, and the goods are delivered to their doorstep.

As of the last reported fiscal year, BigBasket's revenue was approximately INR 12,000 crore (around USD 1.5 billion). Despite significant revenue growth, the company has yet to achieve profitability, with reported **losses of around INR 1,000 crore** (approximately USD 125 million). The company continues to invest heavily in expanding its market reach and improving its supply chain infrastructure.

Revenue of BigBasket from financial year 2016 to 2023
(in billion Indian rupees)



As of January 2023, the company operates in more than 30 cities in India and processes around 15 million orders per month.

Problem Statement

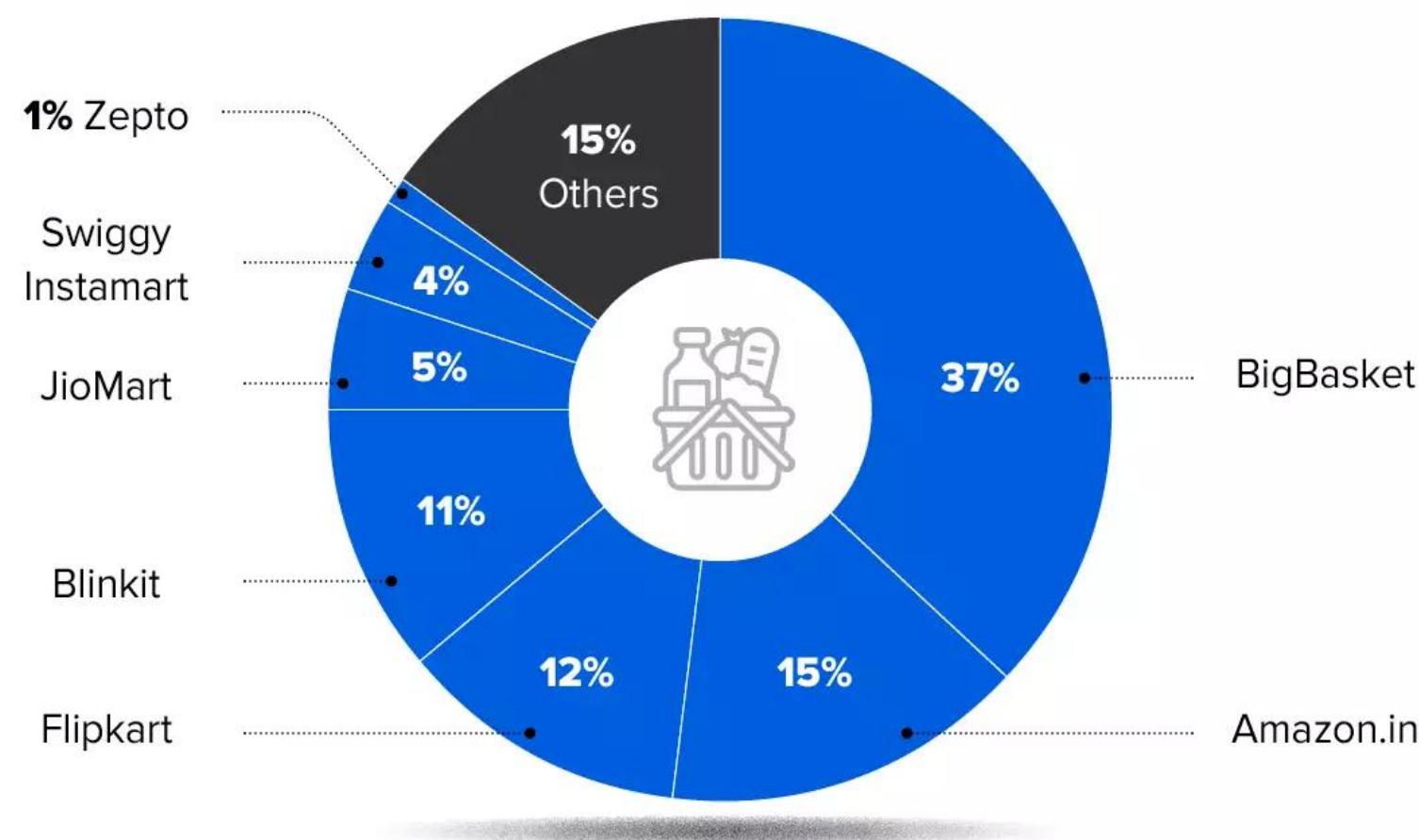
Despite consistent user feedback highlighting subpar online ordering experiences compared to competitors like Blinkit, Zepto, and Swiggy Instamart, characterized by unintuitive product displays, friction at every step, and outdated UI, we're determined to enhance your platform. To rival other q-commerce platforms, the aim to implement three new features that streamline the entire order process, addressing issues from product discovery to checkout, in a bid to elevate user satisfaction and competitiveness within the market.

Competitors and their market share

ET tech

Indian grocery firms by market share

Market share as of January 2022



Notes: Data is based on their gross merchandise value (GMV); 'Others' refer to players such as Milkbasket, Nature's Basket, Paytm Mall, and online platforms for omnichannel stores such as Spar and DMart.

Source: PGA Labs competitive intelligence

SWOT Analysis

Strengths

- Provides huge product range. Also offers exotic products
- Offers huge discounts on various products.
- Offers an escape from the hassle of standing in the queues of malls or going all the way to the retail stores.
- Has foot in all major tier-1 cities
- Has low fixed cost business model

Weaknesses

- Delivers groceries after 24hrs
- High variable cost
- Does not offer home-delivery below a certain set order price limit
- Customers need to be at home when product is about to be delivered
- Out-of-stock issues in hyperlocal shops

Opportunities

- India has huge retail market, valued at \$550M, and 60% is only grocery, making it 6th largest grocery market in the world
- India is fastest growing grocery market at 19% annual growth
- Tier-2 urban market is yet to be tapped
- Cross selling

Threats

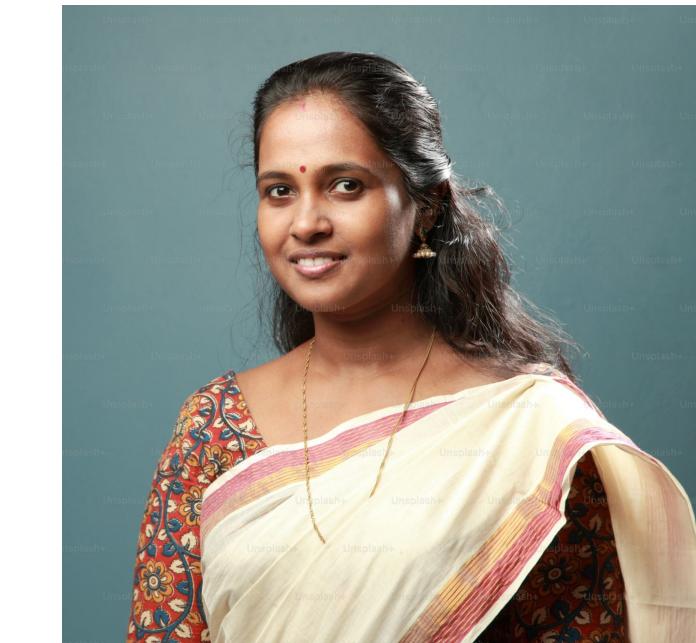
- Smaller presence in terms of cities covered
- Bigger players like Amazon, Flipkart are entering q-commerce industry
- Local shops have started home delivery services
- Customer retention issues.

User Persona

Ankit, 27
Startup founder
Resides in Bangalore
Tech-savvy



Anushree, 42
Teacher
Resides in Patna
Tech-illiterate



Frustrations

- Has to wait 24 hours to get the groceries delivered.
- Has to check routinely if the desired grocery is available after it has been unavailable, conflicting his busy schedule
- Cannot rely solely on reviews to estimate quality of perishables.

Frustrations

- Unable to get groceries delivered quickly
- Unable to get updates of products when available again
- Cannot rely solely on reviews of other users to judge quality of eatables for her family.

Key pain points identified

- **Concerns about food quality:** Users have concerns over quality of online ordered eatables, which cannot be solved from overall ratings alone.
- **Unable to get delivered products quickly:** Most users find it frustrating to get ordered products next day, especially in cases when grocery has been ordered just before deadline.
- **Unable to get updates of re-availability:** Users feel inconvenient to regularly re-check for availability of items which were unavailable when checked for the last time

Solution 1: Revamped UI

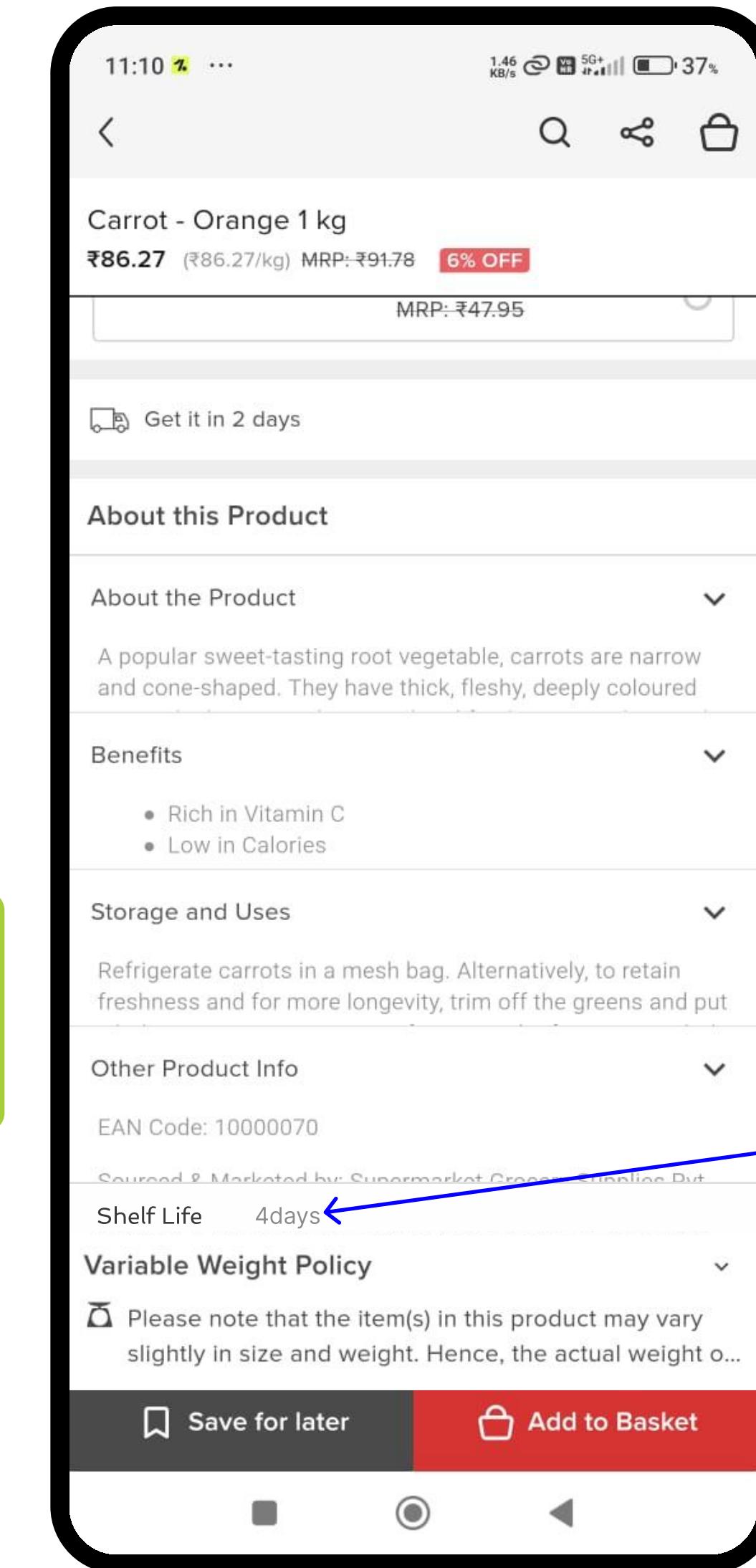
How users will be benefited?

- Quality assurance as a result of labels from reputed sources like FSSAI
- Gain knowledge about life of perishables and plan dishes accordingly

Actual image of to-be-delivered foods in warehouse will be shown



Food certifications from reputed authority. In this case, organic food label from FSSAI



How Bigbasket will be benefited?

- Increased user satisfaction
- Increased user engagement

Solution 2: Setting up 'dark stores'

"Dark stores" will be set up in strategic locations such that each microwarehouse will be close to assigned residential areas and colonies. These will be well maintained and well staffed, with standard storage facilities. When an order will be placed, delivery person will pick up the required products from the dark store closest to destination.

How users will be benefited?

- Faster deliveries
- No need to postpone deadlines on special occasions

How Bigbasket will be benefited?

- Increased user satisfaction
- Increased user engagement
- Potential to convert them to supermarkets to tap in offline shoppers



Solution 3: Availability Updates

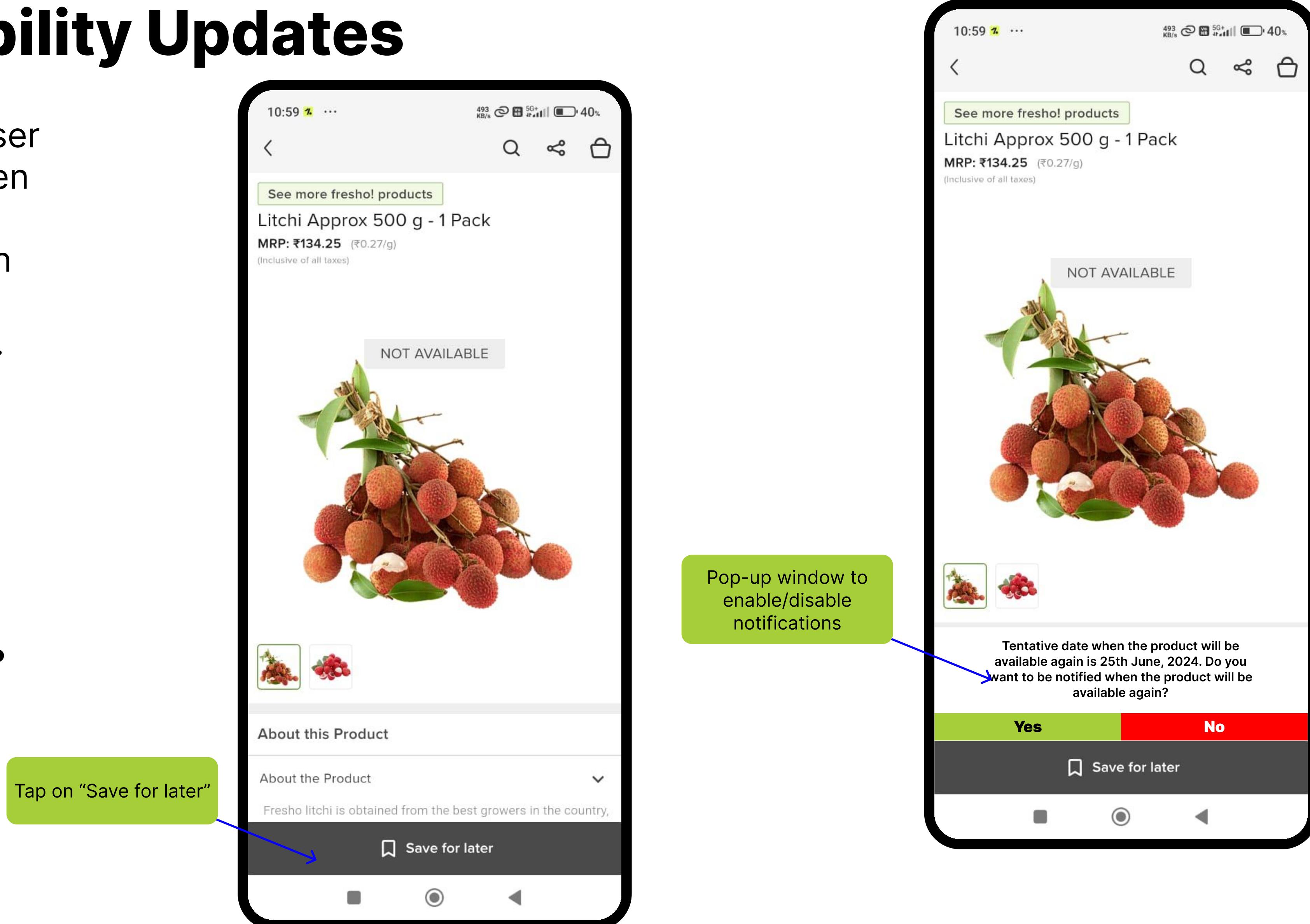
Tapping on “Save for Later” option will pop up a window asking the user if they want to get notification when the unavailable product will be available again. The pop-up screen also tells the tentative date when the product will be available again.

How users will be benefited?

- Saves user's time from rechecking availability of items
- Allows the user to change their plans

How Bigbasket will be benefited?

- Increased user satisfaction



RICE Prioritization

Solution	Reach (R)	Impact (I)	Confidence (C)	Effort (E)	Score (R×I×C/E)
Revamped UI	8	6	5	4	60
Setting up 'dark stores'	6	9	8	10	43.2
Availability Updates	7	6	6	5	50.4

RICE framework has been used to prioritize the solutions. Priority of solutions should be as under:

1. Revamping UI
2. Availability Updates
3. Setting up 'dark stores'

Go-To-Market Strategy

Revamping UI & Availability Updates

- Designing of features suggested and applying suggested changes
- Developing the desired features and get it approved by testing.
- Limited invite-only rollout to selected users of existing customers
- After launch, monitor customer feedbacks and relevant metrics, improve and tweak features accordingly
- Promotion through social platforms and through offline marketing

Setting up 'dark stores'

- Identifying strategic locations in a particular city, closest to residential areas for construction of dark store
- Assign each dark store to closest locality. Select a single locality to start with.
- Collaboration with firms for construction of micro-warehouse and equipping them with standard storage facilities
- Monitor shopper feedbacks, bring improvements to dark store accordingly.
- Creation of more dark stores to cater to other localities while keeping an eye on user reviews

Success Metrics

Revamping UI

- Average order value of Bigbasket
- Average time spent by users on Bigbasket
- Decrease in bounce rate
- Total orders made from Bigbasket per day
- Number of active customers gained

Setting up 'dark stores'

- Average time taken from order placement to delivery
- Inventory turnover rate
- Number of active customers gained

Availability updates

- Percentage of users who enabled notifications to track availability of product
- Percentage of users who buy back-in-store products after enabling availability updates